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TRANSMITTAL FORM <i>(to be used for all correspondence after initial filing)</i>	Application Number	09/574,294
	Filing Date	May 19, 2000
	First Named Inventor	Stephen G. Bodurtha
	Group Art Unit	2768
	Examiner Name	To Be Assigned
Total Number of Pages in This Submission	Attorney Docket Number	0326-136A

ENCLOSURES (check all that apply)		
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SIGNATURE OF APPLICANT, ATTORNEY, OR AGENT	
Firm or Individual name	Steven R. Bartholomew, Esq. Reg No. 34,771
Signature	<i>Steven R. Bartholomew</i>
Date	March 2, 2001

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Docket No: 0326-136A

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

Applicants: Stephen G. Bodurtha, et al.
Serial No.: 09/574,294
Filed: May 19, 2000
For: SECURITY RECEIPTS MANAGEMENT SYSTEM
Art Unit: 2768
Examiner: To Be Assigned

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**SECOND SUPPLEMENTAL INFORMATION
DISCLOSURE STATEMENT**

Honorable Commissioner of Patents
and Trademarks
Washington, D.C. 20231

Sir:

Pursuant to 37 C.F.R. 1.97 (b)(3), applicants hereby submit their statement regarding certain references known to applicants that may have bearing on the examination of the above-identified application. It appears that a first Office Action has not yet been mailed, and, accordingly, it is believed that no fee is due. The submission of references herein is not to be construed as an admission that any particular reference is relevant, nor is it to be construed as an admission that any particular reference is, in fact, prior art. A separate PTO-1449 form is attached and copies of each reference listed are enclosed for the Examiner's review.

1. U.S. Patent No. 6,088,685 - Kiron

This patent discloses a process that provides for the trading of open end mutual funds and linked derivative securities. One or more mutual funds are selected via a screening process. The selected funds are then securitized through the creation of a new security that synthetically replicates a statistical relationship of the selected funds.

2. U.S. Patent No. 5,983,204 - Debe

This patent discloses a data processing system that supports a new financial instrument called “Put Ratio Equity Protection”(PREP). The PREP instrument protects investors in closed-end funds from potential market price discounts below the fund’s net asset value.

3. U.S. Patent No. 5,806,048 - Kiron

This patent describes a process that provides for the trading of open end mutual funds and linked derivative securities. One or more open end mutual funds are selected through a screening process and then “securitized” through the creation of a new, separate security that synthetically replicates a statistical relationship of the selected mutual funds.

4. Article: PR Newswire - S & P’s Depositary Receipts Volume Surpasses 50 Million Mark for the Year

This article relates to a security known as Standard & Poor’s Depositary Receipts (TM) or SPDRs (TM), pronounced “spiders”. SPDRs represent interest in a unit trust that holds a portfolio of stock intended to provide investment results that track the price and yield performance of the S&P 500 index. SPDRs trade like common stock, allowing investors to enter or close out positions throughout the trading day.

5. Article: Securities Week - Spiders, One of Top Five Most Actively Traded Securities, Ready for Spin-Off

This article describes the success of SPDRS in the securities marketplace. Since SPDRS have been trading on the AMEX, they have consistently ranked among the top five most actively traded securities.

6. Article: Corporate Cashflow Magazine - SPDR Web Ensnarers both Active, Passive Fund Managers

This article describes various features of the SPDR as an investment vehicle. Effectively, SPDRs permit investors to invest in a vehicle that is very similar to an index option, but without the

complexity and risk involved in options dealing. The stock deposited in the SPDR trust comprises all stocks used to determine the actual S&P 500 Index. These deposited stocks are weighted in a manner so as to provide a close correlation with the S&P 500 Index.

7. Article: PR Newswire - New Breed of Security, SPDRs or "SPIDERS", to Weave Its Web at the Amex

This article describes the introduction of SPDRS at the American Stock Exchange. The article also mentions Portfolio Depositary Receipts (PDRs), investment vehicles which are similar to SPDRs, with the notable exception that they are linked to indices other than the S&P 500.

8. Article: Nikkei Weekly - Banks Failing to Take Advantage of Business Opportunities

This article deals with the changing business environment faced by banks in the mid 1990's. Of the new pursuits available to banks, the most promising are securitization and derivatives trading. Rapid progress in data processing technology provides a framework for securitization and derivatives trading, but financial institutions must be willing and able exploit these new opportunities.

9. Prospectus: Defined Asset Funds - October 2, 1998

This Prospectus provides information related to the AT&T Unit Investment Trust created on December 6, 1983, after AT&T was required to divest itself of the Regional Bell Operating Companies (RBOCs). The Trust is a fixed portfolio consisting of a prespecified combination of common stock shares from AT&T and each of the RBOCs. This Defined Asset Fund trades on the New York Stock Exchange under the symbol "ATF".

10. NERAC Computer Search Printout

This is a printout of a computerized database query conducted on Feb. 6, 2001 using a searching service known as NERAC. Document abstracts located pursuant to this NERAC search are described below as items numbered (11) - (27).

11. Central Penn Business Journal - Spinning a Different Mutual Fund

This article abstract describes two new mutual funds (Exchange - Traded Shares) which are linked to a market index.

12. PR Newswire - The American Stock Exchange Appoints Clifford Weber

This article abstract describes 30 AMEX issues that track US and international market indices. The AMEX issues include SPDRs, Select Sector SPDRs, DIAMONDS, WEBS, and others.

13. Arizona Republic - Sector Funds Deliver Bang for Investors

This article abstract describes the advantages (and pitfalls) of sector funds.

14. Mutual Fund Market News - State Street Announces New Index Funds

This article abstract describes the Select Sector SPDR Funds which are based upon nine specific industry sectors. Each Fund includes shares of companies from selected sectors in the S&P 500.

15. Bank Investment Services Report - State Street Spins Out a New SPDR

This is another article abstract that describes the Select Sector SPDR Fund.

16. Business Week - If You Can't Beat the Oil Barons, Join 'Em

This article abstract describes a Select Sector SPDR that is directed towards the energy sector.

17. Forbes - Along Came a SPDR

Yet another article abstract that describes Select Sector SPDRs.

18. Business Week - Slicing and Dicing the S & P 500

Describes Select Sector SPDRs.

19. NewsWire - DiaSys Corporation Lists on the American Stock Exchange

This article abstract describes various Index Share investment vehicles offered on the American Stock Exchange, including DIAMONDS and SPDRs.

20. NewsWire - On RadioWall Street. com:

Freedom Capital's Market & Industry Outlook

Discusses Exchange - Traded Funds, SPDRs, DIAMONDS, and the Technology and Financial Sector SPDR.

21. PR Newswire - The American Stock Exchange Lists UBS AG

This article abstract relates to a new Equity-Linked Note based upon shares of Motorola stock. The Note will bear interest at annual rate of 18.5%. It is listed under the ticker symbol GUL. A.

22. PR Newswire - American Stock Exchange Lists Seven New Index Funds

This article abstract discusses several new index funds, termed streetTRACKS, to be traded on the AMEX. Five of the funds are based upon Dow Jones Indices, and two are based upon Morgan Stanley Indices.

23. NewsWire - State Street Global Advisors Reduce Fees on the Nine Select Sector SPDR "Spider" Funds by 50%

State Street lowered the expenses on its Select Sector SPDR funds from 56 basis points to 28 basis points. Select Sector SPDRs are exchange-traded funds that "unbundle" the S&P 500 index

into nine sector funds comprising shares of S&P 500 companies. Each of these nine sector funds can be bought and sold like shares of common stock.

24. Newswire - Intelliworxx Adds Three New Members to Board of Directors

This article abstract presents a brief biography of John W. English, who is Chairman of the Board for State Street Bank's Select Sector SPDR TRUST (AMEX:SPY).

25. Newswire - State Street Global Advisors Announces Success of SPDR 'Spider' Fund Leads to Lower Fees

This article abstract describes the recent success of SPDR Funds (Spider) Funds as investment vehicles. SPDRs were the first exchange - traded depositary receipt product on the market. The SPDR invest passively in the 500 Index. SPDR are the world's largest exchange - traded product and one of the most heavily traded securities on the AMEX.

26. Newswire - Exchange - Traded Fund Innovator Gary Gastineau Joins Nuveen

Gastineau played an instrumental role at the AMEX in ensuring the success of SPDRs, WEBs, and DIAMONDS. Gastineau is now working on a new breed of exchange - traded funds (ETFs) which provide predefined portfolios. Details of these new ETF products have not been announced.

27. PR Newswire - CHX Begins Trading Popular Nasdaq-100 Index Product

This article abstract describes a Nasdaq - 100 Index Tracking Stock (symbol: QQQ) that represents ownership in the Nasdaq - 100 Index, thereby providing investors with the opportunity to buy and sell shares of a portfolio containing the stocks of the Nasdaq -100 Index.

28. Memorandum - Mutual Fund/Exchange Traded Fund Article Montage

This memorandum presents excerpts from various articles dealing with mutual funds and related derivative instruments. Derivative instruments include exchange traded funds (ETFs) and sector-based ETFs. Sector funds restrict investments to a particular segment of the economy. Examples of sector funds include Select Sector SPDRS which track each of nine different economic sectors through holdings in various S&P 500 stocks. The AMEX created these SPDRS by placing almost every stock on the S&P 500 into one of nine different baskets.

29. Business Wire - California Energy Postpones \$175 Million Lyon Offering

This article describes a proposed offering of Liquid Yield Option Notes (LYONs) by the California Energy Company. Due to market conditions in March of 1989, California Energy has postponed its Lyon offering.

30. The Bond Buyer - Prices Mark Time Through Dull Session

This article describes an SEC filing by American Airlines to offer \$700 million of liquid Yield Option Notes (LYONs). The LYONs are convertible into common stock, and American Airlines has the option of satisfying conversion with either cash or stock.

31. PR Newswire - Merrill Lynch to Commence Tender Offer for LYONs

Merrill Lynch has commenced a tender offer for LYONs due Feb. 21, 2006. The offer is for \$335 per \$1000 principal amount. A holder submitting LYONs for redemption will receive the announced redemption price plus accrued interest at the rate of 8% per annum to the date of redemption.

32. PR Newswire - Merrill Lynch Completes LYONs Tender Offer

Approximately \$600 million (principal amount) of LYONs were tendered to Merrill Lynch for payment, pursuant to the Tender Offer described in the immediately proceeding item.

33. Investment Dealers Digest - Elan Corp Sets Lyons Deal

This article describes a LYONs offering to be provided by Elan Corporation through Merrill Lynch. The LYONs are zero-coupon converts, exchangeable for Elan's American Depositary Receipts which trade on the AMEX at a conversion premium.

34. Investment Dealers' Digest - Merrill Struggles to Place Valhi's Exchangeable LYONs

This article describes a LYONs offering by Merrill Lynch. The zero-coupon exchangeable LYON has a face value of \$330 million and is priced to yield 9 1/4%.

35. Institutional Investor - Derivatives: STEERS Charge Onto the Scene

This article describes a new trust product offered by Merrill Lynch and referred to as a STEER - a Structured enhanced Return Trust. STEERs utilize a guarantor trust to house both an existing bond and a swap attached to that bond. This creates an alternate set of cash flows from those of the underlying security to pay investors who buy the Trust. Illustratively, a STEER includes a fixed-rate bond that has been trading cheaply on the secondary market, and is repackaged it with a swap to provide either a simple floating rate or a more structured payout.

36. Institutional Investor - Derivatives: Advantages For Everyone

This article relates to the inherent investor appeal of STEERs. Merrill Lynch's STEERs have loosened corporate issuers' hold on the U.S. Structured medium-note market, and have increased returns by up to 25 basis points.

37. Euromoney - Assets Enhanced By Swaps

This article describes various features of Merrill Lynch STEERs. STEERs can only be bought by qualified institutional investors who, pursuant to SEC Rule 144A, are able to buy and sell unregistered securities.

38. CBS. MarketWatch.com - Mutual Understanding - ETFs Across the Water

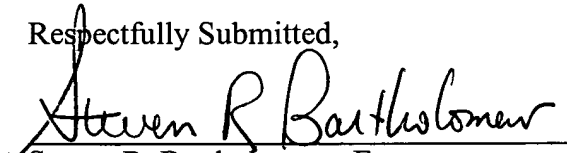
This article discusses the current status of exchange-traded funds (ETFs) in Europe and the United States. The first ETF was Standard and Poor's Depository Receipts (SPDRs), launched in 1993 (symbol:SPY).

39. Netscape "Get A Quote" - <http://netscape/marketwatch.com> - Quote for symbol:SPY

This is a printout of the latest quote for Standard & Poor's Depository Receipts (SPDRs) available from the Netscape home page on the WWW.

March 2, 2001

Respectfully Submitted,



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